BOARD OF DIRECTORS ORIENTATION

The University Corporation, San Francisco State

Updated June 2019
Agenda

- What is an Auxiliary?
- What does UCorp do? (An overview)
- What is your role?
- What does UCorp do? (The details)
  - Finance and Administration
  - Operations
  - Public Private Partnerships
What is an Auxiliary?
What is an Auxiliary?

Auxiliaries at SF State

- Business Partner
- Commercial Services
- Supporter
- Student Government
- Student Services
- Philanthropy
- Endowments
- Gifts
What is an Auxiliary?

Auxiliaries of the CSU

- Federation of nearly 100 auxiliaries around the CSU
- Annual conference
- AORMA
- Ongoing services and committee work
- Professional development
What Does UCOrp Do?

An Overview
What Does UCorp Do?

Mission Statement

A not-for-profit public benefit corporation working to further SF State’s mission by helping to create a thriving community that meets the needs and aspirations of the university’s students, faculty and staff.

UCorp Employee Directory: https://ucorp.sfsu.edu/employees
What Does UCorp Do?

An Overview

Campus Programs & Sponsored Projects
- Campus Programs (PLI, FAP)
- Non-ORSP Grants & Contracts
- Commencement

Innovation
- Intellectual property
- Patents

Partnerships (UCorp Vendors)
- Bookstore
- Cafe Rosso
- Clean Bites
- HSS Café
- Subway
- Station Café
- Peet’s Coffee
- Good-to-Go
- Taza Smoothies & Wraps
- Village Market & Pizzeria
- US Bank
- Learfield Licensing
- Vending Machines

Real Estate
- Holloway Revitalization
- Gifts of property

Self-Operations
- Food Truck Program
- Shop 24
- Ctrl+P (Copy Center)
- Lobby Shop
- Healthy U

Finance & Administration
- UCorp’s infrastructure
- Provides services to UCorp and other auxiliaries.

Student Center Vendors
- 12 food operators
- 4 ATMs
What Does UCorp Do?

*Operating Agreements and Leases*

- Operating Agreement (2019)
- Master Lease
- Student Center Lease
- Ground Lease
What Does UCorp Do?

Our Structure

University Corporation,
San Francisco State
Updated May 31, 2019

University Employee
- University personnel assigned to administer UCorp are university employees and not employees of the auxiliary entity. They are all supervised and under the oversight of university employees.

UCorp Employee
- UCorp personnel perform services that support UCorp’s mission by and through those functions deemed best fulfilled by an auxiliary. Only UCorp’s board of directors may direct employment decisions concerning UCorp employees. UCorp’s board delegates this function to the UCorp executive director, who may delegate the responsibility to other personnel.
What is Your Role?
What is Your Role?

Board Governance

Fiduciary Responsibility
“The management of the affairs, property, and business of the Corporation shall be vested in a Board of Directors…”
“A director shall perform [their] duties... in good faith, in a manner such director believes to be in the best interest of the Corporation…”

Conflict of Interest
“No member of the BOD shall be financially interested in any contract or other transaction entered into by the BOD”

Voluntary Service
“No director shall receive any salary or other similar compensation”

Indemnification of Directors
“To the fullest extent permitted by law, the Corporation shall indemnify its directors…”
What is Your Role?

Board Governance

Article II- Board of Directors

- **UCorp Board comprised of 11-17 directors**
  - Inclusive Composition:
    - Faculty (4)
    - Students (3)
    - Community Members (4)
    - Administration (6)

- **Board Term**  *Fiscal Year: July 1 – June 30*
  - 1 year: student
  - 3 years: faculty / community / administrator

- **Qualifications**
  - Willingness to assume and bear legal and fiscal responsibility.
  - Familiarity with project activities / understanding of educational mission of SF State.
  - Experience / skill / knowledge in fiscal, personnel, fundraising, related administrative matters, community ties.

  Ex Offico: Executive Director, President / designee, VP of Administration & Finance / designee, Academic Senate Chair
What is Your Role?

Board Governance

Article IV- Standing Committees

- **Executive Committee**
  - Comprised of five officers.
  - Act in capacity of full board except:
    - Filling vacancies on board
    - Alter by laws
    - Fixing compensations
    - Approve conflict of interest transaction
    - Alter expressly non amendable/repealable resolution

- **Nominating Committee**
  - Recommend board and committee composition for Presidential and full board approval.

- **Finance Committee**
  - Review financial statements, provide financial guidance.
  - Monitor investment performance.
  - Review and recommend proposed budget.
  - Annual approval of insurance coverage.
  - Review service contracts with the campus.

- **Audit Committee**
  - Negotiate proposed terms of engagement.
  - Review and determine whether to accept audit.
  - Review annual financial statements.
  - Recommend retention/termination of independent auditor firm.
What is Your Role?

Board Governance

Additional Committees

- **Bookstore Advisory Committee**
  - Maintain communication between bookstore management and campus community.
  - Solicit and evaluate suggestions for improving the bookstore services and partnership opportunities.
  - Serve as advisory committee for matters on which the bookstore seeks input.
  - Monitor evolution of course material industry to devise a long-term vision for our campus store.

- **Retail and Commercial Services Committee**
  - Assess campus needs and preferences.
  - Ensure inclusion of community voices and act as a liaison between UCorp and campus where ideas can be filtered.
  - Consultative body in consideration for issues related to vendor services/requests.
  - Provide guidance for self-operation performance.
What is Your Role?

*Board Governance*

**Article III- Meetings**

- **FY Calendar approved by Board at Annual Meeting in June**
  - Calendar on website, Outlook
  - Agenda sent 7 days prior to meeting, documentation “packet” sent prior to meeting

- **Board meetings are held on Mondays, 3:00-4:30 p.m.**
  - Sept., Oct., Dec., Feb., April, May, June (Annual Meeting)
  - Quorum: 5
  - Open meetings
  - Constituent Reports

- **Committee meetings time and frequency vary by committee**
What Does UCorp Do?

Finance and Administration

- Auxiliary Business Services
- Types of Programs
- Business Partnerships
- Financial Statement Review
- Investments
What Does UCorp Do?

Finance and Administration

Auxiliary Business Services

- UCorp provides accounting and custodial functions to SF State auxiliaries.
- The services provided must comply with policies and procedures for the campus, CSU, GAAP, state, and federal regulations.

Services Include:
- Account Payable
- Account Receivable
- Banking
- Cash Handling
- Financial Statements
- General Ledger Maintenance
- Payroll Processing
- Record Retention
- Special Projects
- System Management
What Does UCorp Do?

Finance and Administration

Programs, Business Partners, and Services

Guardian Scholars Program

Labor Archives 30th Anniversary

Sierra Nevada Field Campus

Pacific Leadership Institute

Family Acceptance Program

Program Accounts and Activities

- Grants & Contracts
- Scholarships
- Special Events
- Spending Accounts
What Does UCorp Do?

Finance and Administration

Business Partnerships

UCorp provides administrative expertise to:

• reduce risk to the campus
• streamline/efficiently manage contracts and related expenses

Thereby allowing campus or auxiliary to focus on programming goals.
What Does UCorp Do?

Finance and Administration

Financial Statement Review

Schedule of Net Assets

- Provides an overview of UCorp’s balance sheet at given period of time
- Comprised of total assets, total liabilities, and net assets
- Key components:
  - Investment Total
  - Accounts Receivable
  - Accounts Payables
  - Change in Net Assets: flows from the statement of revenue, expenses and change in net assets
The Statement of Revenue, Expense and Changes in Net Assets shows the total revenue and expenses for UCorp.

- Revenue is all of the type of revenue flowing through the organization.
- Expenses is all the expenditures related to all of UCorp’s type of funds.
- Non-operating section is where activity outside of normal business activity is recorded.
The FSR is a custom report to show the income statement for the unrestricted fund.

Revenues (Source of Funds):
- IDC
- Program Revenue
- Business Service Income

Expenses (Uses of Funds):
- Operating expenses that belong to UCorp’s general funds.

Non Operating Sources and Uses:
- Non regular business activity such as University support, investment net, transfers.
What Does UCorp Do?

Finance and Administration

Financial Statement Review

All Stores Report

- Summary of UCorp self-operations activity compared to the budget for the operations.
- Reports show the overall profit or loss at particular period.
What Does UCorp Do?

Finance and Administration

*Investments*

- Board has a Fiduciary Responsibility
- Independent Investment Consultant: Beacon Pointe
- Investment Policy Statement
- Investment Approval Process: Finance Committee → Board
What Does UCorp Do?

Operations

- Self Operations
- Partnerships
- Gator Group
What Does UCorp Do?

Operations

Self-operations
What Does UCorp Do?

Operations

Partnerships
What Does UCorp Do?

Operations

Gator Group
What Does UCorp Do?

Operations

Partnerships
What Does UCorp Do?

Public Private Partnerships
What Does UCorp Do?

Public Private Partnerships

$P_3$s

Holloway Revitalization Project
Q &A

ucorp.sfsu.edu

Mary: mbag@sfsu.edu
Chris: cfarmer@sfsu.edu
Jason: jportch@sfsu.edu

Tammie: ridgell@sfsu.edu
Trevor: tgetz@sfsu.edu